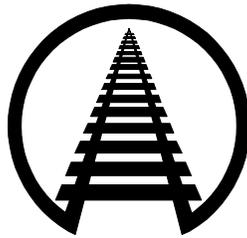


**STATEMENT OF**  
**EDWARD R. HAMBERGER**  
**PRESIDENT & CHIEF EXECUTIVE OFFICER**  
**ASSOCIATION OF AMERICAN RAILROADS**



**BEFORE THE**  
**HOUSE COMMITTEE ON HOMELAND SECURITY**

**HEARING ON**  
**SECURITY TRAINING FOR RAILROAD AND TRANSIT EMPLOYEES**

**SEPTEMBER 28, 2006**

On behalf of the members of the Association of American Railroads (AAR), thank you for the opportunity to meet with you today to discuss rail employee security training. AAR members account for the vast majority of rail mileage, employees, and revenue in Canada, Mexico, and the United States.

Nothing is more important for railroads than the safety and security of their operations. Indeed, for railroads, safety and security are interconnected: a safer workplace will tend to be a more secure workplace, and a more secure workplace will tend to be a safer workplace. That's why everyone should be encouraged by the fact that the safety of rail operations continues to improve. By a variety of measures, railroads are the safest transportation mode.

In fact, according to Federal Railroad Administration (FRA) data, the rail industry reduced its overall train accident rate 65 percent from 1980 to 2005, and 15 percent since 1990. The rate of railroad employee casualties has been reduced 79 percent since 1980 and 69 percent since 1990, and in 2005 was the lowest in history. Through the first six months of 2006, the train accident rate is 18 percent below the comparable rate in the first six months of 2005 and is on pace to set a new annual record, while the employee casualty rate is down nearly 10 percent and is also on pace to set a new record.

Freight railroads are proud of these safety accomplishments. At the same time, though, they are keenly aware of the tension between the need for transportation efficiency and the assurance that our transportation systems are adequately protected from terrorist and other threats. There must be a proper balance between efforts to protect against terrorist acts, on the one hand, and providing for the free flow of goods and promoting our country's international competitiveness on the other.

Below I will briefly describe efforts freight railroads have made to enhance security in the post 9-11 era and address the specific area of rail employee security training. In a nutshell, railroads expect their employees to avoid putting themselves in danger in the event of a real or perceived security-related incident; to report any suspicious activity on or around rail property to the proper authorities; and to refrain from divulging sensitive information on rail operations to those who have no need to know that information.

### **The Railroad Terrorism Risk Analysis and Security Management Plan**

Immediately following the terrorist attacks in September 2001, U.S. freight railroads created a top-level security task force (comprised of more than 150 railroad, customer, and intelligence personnel) to conduct an exhaustive evaluation of freight rail security issues. The end result was the Terrorism Risk Analysis and Security Management Plan, a comprehensive, intelligence-driven, priority-based blueprint of actions designed to enhance freight rail security. The plan was adopted by the Association of American Railroads (AAR) in December 2001 and remains in effect today.

As a result of the plan, freight railroads quickly enacted more than 50 permanent security-enhancing countermeasures. For example, access to key rail facilities and information has been tightened, and cyber-security procedures and techniques have been strengthened. Security awareness briefings were given to railroad employees, who were instructed to maintain high awareness and vigilance and to immediately report suspicious activity.

In addition, the plan defines four progressively higher security alert levels and details a series of actions to be taken at each level:

*Alert Level 1* is “New Normal Day-to-Day Operations” and exists when a general threat of possible terrorist activity exists, but warrants only a routine security posture. Actions in effect at this level include conducting security training and awareness activities; restricting certain information to a need-to-know basis; restricting the ability of unauthenticated persons to trace certain sensitive materials; and periodically testing that security systems are operating as intended.

*Alert Level 2* (which is in effect today) is “Heightened Security Awareness.” It applies when there is a general non-specific threat of possible terrorist activity involving railroad personnel and facilities. Additional actions in effect at this level include security and awareness briefings as part of daily job briefings; conducting content inspections of cars and containers for cause; conducting spot content inspections of motor vehicles on railroad property; and increasing security at designated facilities.

*Alert Level 3* means there is “a credible threat of an attack on the United States or railroad industry.” A decision to declare Level 3 will be evaluated in light of the specificity of a threat against railroad personnel and facilities. Examples of Level 3 actions include further restricting physical access and increasing security vigilance at control centers, communications hubs, and other designated facilities, and requesting National Guard security for critical assets.

*Alert Level 4* applies when a confirmed threat against the rail industry exists, an attack against a railroad has occurred, an attack in the United States causing mass casualties has occurred, or other imminent actions create grave concerns about the safety of rail operations. Security actions taken at this level include stopping non-mission-essential contractor services with access to critical facilities and systems; increasing

vigilance and scrutiny of railcars and equipment during mechanical inspections to look for unusual items; and continuous guard presence at designated facilities and structures.

Alert Levels 3 and 4 can be declared industry-wide for a short period of time or can be declared in a particular geographic or operational area (*e.g.*, the Midwest or hazardous materials) where or when intelligence has identified that terrorist action against a specific location or operation is imminent.

Railroads test the plan through table-top exercises twice yearly, and evaluate and modify it as needed to ensure maximum continued effectiveness.

Access to pertinent intelligence information is a critical element of the plan. To this end, the rail industry is in constant communication with the Transportation Security Administration (TSA) and elsewhere within the Department of Homeland Security (DHS), the Department of Defense (DOD), the Department of Transportation (DOT), the FBI's National Joint Terrorism Task Force (NJTTF), state and local law enforcement, and others. A railroad police officer and railroad analysts who hold Top Secret clearances work with government intelligence analysts at NJTTF and at DHS to help evaluate intelligence and to serve as subject matter experts.

Intelligence information, in turn, is disseminated through the Railway Alert Network (RAN), a secure 24/7 communications network operated by the AAR at the Secret level that links federal security personnel with railroad operations centers. Through the RAN, railroads and the intelligence community share information to maintain situational awareness and immediately institute appropriate alert levels.

Communication is also enhanced by the Surface Transportation Information Sharing and Analysis Center (ST-ISAC), which was established by the AAR at the

request of the DOT. The ST-ISAC collects, analyzes, and distributes security information from worldwide resources to help protect vital information technology systems and physical assets from attack. It operates 24/7 at the Top Secret level. The ST-ISAC grew out of Presidential Decision Directive 63 (May 22, 1998), which recognizes freight railroads as “essential to the minimum operations of the economy and government.”

Rail security efforts strongly benefit from the fact that major railroads have their own police forces, and a rail security amendment to the port security bill recently passed by the Senate would further enhance the ability of railroad police to ensure rail security. This amendment would permit police officers in the employ of one railroad to exercise their law enforcement powers on the property of another railroad. This flexibility could prove especially valuable in the event of a national security threat involving an individual railroad. AAR strongly supports this provision.

Notwithstanding rail industry efforts, there can be no 100 percent guarantee against terrorist assaults, including assaults involving hazardous materials (hazmat). If such an assault involving freight railroads occurs, railroads have well-established programs and procedures that can and will be invoked that are designed to respond to and minimize the impact of such incidents.

In this regard, the efforts of emergency response personnel are critical. Railroads assist communities in developing and evaluating hazmat emergency response plans. Through their own efforts and the Transportation Community Awareness and Emergency Response Program (TRANSCAER), they provide basic training for more than 20,000 emergency responders per year.

In addition, more than 20 years ago, the AAR established the Emergency Response Training Center (ERTC), a world-class training facility that is part of the Transportation Technology Center, Inc. (TTCI) in Pueblo, Colorado. The ERTC has provided in-depth hazmat emergency response training to more than 25,000 emergency responders and railroad and chemical industry professionals from all over the country and abroad. Most recently, the ERTC entered into an agreement with DHS to provide critical training for 100 new rail security inspectors hired by the TSA.

The ERTC is considered by many to be the “graduate school” of hazmat training because of its focus on comprehensive, hands-on training using actual rail equipment. That’s why the AAR strongly supports the Allard/Salazar amendment to the port security bill that would make the TTCI a member of the National Domestic Preparedness Consortium (NDPC), which is a group of premier institutions that develop, test, and deliver training to state and local emergency responders.

### **Rail Employee Security Training**

Railroad security efforts depend a great deal on the efforts of railroads’ dedicated and highly professional employees — including engineers and conductors aboard trains; maintenance of way crews, inspectors, and signalmen working along railroad right-of-way; railroad police officers; and others. They are the “eyes and ears” in the industry’s security effort, and we should all be grateful for their vigilance and care. In terms of employee security training, the freight rail industry’s focus has been on “see something, say something,” and keep out of harm’s way. The training has encompassed topics such as what to do when an employee sees a stranger or suspicious activity on rail property; to

whom to report the anomaly; the need to keep information about train movements and cargoes confidential; and the need to keep rail property secure and safe.

With 9/11, it became clear to railroads, as it did to firms in other industries, that security awareness would have to take on new importance. In response, Class I railroads soon thereafter provided a training video and/or printed materials to all employees — in most cases mailing the materials to employees' homes — that could be characterized as “Security Awareness 101.” In the materials, the railroads expressed to their employees three fundamental expectations that to this day remain cornerstones of rail employees' responsibilities regarding security: don't put yourself in danger; report suspicious activities on or around railroad property; and don't divulge sensitive information about rail operations to others.

Over time, freight railroads began to incorporate security issues in a more formal fashion — for example, as part of employees' periodic FRA-mandated safety rules recertification, as part of new-hire training, and as part of new manager training. Many railroads have incorporated security issues into employees' manual of standard operating practices. Moreover, all railroads are compliant with U.S. DOT-mandated HM-232 security training for employees who handle hazardous materials.

More recently, railroads concluded that rail security would be enhanced if rail employee security training was more harmonized across railroads through use of a standardized curriculum, and railroads have made that harmonization a reality.

Much has been done in collaboration with the National Transit Institute (NTI) at Rutgers University. NTI was established under the Intermodal Surface Transportation Efficiency Act of 1991 to develop, promote, and deliver training and education programs

for the public transit industry. Freight railroads are fortunate to have been able to take advantage of NTI's success in promoting safety and security in public transit to develop an interactive, uniform security awareness curriculum for freight rail employees.

The standardized curriculum has four modules: What is Security; Vulnerability, Risk, and Threat; What to Look For; and Employees' Role in Reducing Risk. The goal of the standardized curriculum is to provide rail employees with an understanding of their role and responsibility in system security, and how to implement their companies' procedures upon detection of suspicious objects or activities.

For example, one module of the curriculum focuses on what system security entails in a general sense — *i.e.*, the use of operating and management policies and procedures to reduce security vulnerabilities to the lowest practical level, as well as a process focusing on preventing all levels of crime against people and property. Under a system security approach, rail employees are taught to realize that they and their duties are part of a larger, extensive system and that system security begins with the employee. To that end, employees are encouraged to be observant and to be familiar with their companies' policies and procedures in the event of a threat or incident.

Another module of the curriculum covers how to identify suspicious or dangerous activities. In the case of suspicious individuals, the focus is on behavior — specifically, where the person is, when he or she is there, and what he or she is doing. Railroads know that their employees know their daily work area (*e.g.*, facilities, right-of-way, rolling stock) better than anyone, and will be in the best position to know if something does not look quite right or is out of place. Thus, for employees, training emphasis is on being familiar with their work area; observing and reporting suspicious activities and objects;

reporting missing or malfunctioning equipment; and, if appropriate and endorsed by their railroad's policies, approaching and engaging persons to resolve or confirm suspicions. However, rail employees are not to approach threatening people; are not to try to intervene in dangerous activities; are not to pick up, touch, or move suspicious objects; are expected to withdraw from any dangerous environment or situation; and are expected to report dangerous situations immediately.

As part of the standardized curriculum, employees are also trained how to react to threats, which may take the form of perceived suspicious activity, suspicious and/or out-of-place objects or vehicles, evidence of tampering with equipment, phone calls or other warnings, or other circumstances. Again, railroads do not expect their employees to "play the hero" by potentially putting themselves in harm's way. Instead, they are expected to follow their company's policies and procedures, inform the appropriate authority of the situation, move to a safe location, and wait for further instructions.

As noted earlier, the full Senate recently adopted several rail security amendments as part of the port security bill. The legislation now heads to conference with a similar measure cleared by the House of Representatives in May.

Among many other things, the Senate-passed bill requires DHS to develop guidance for rail worker security training to include determination of the seriousness of any occurrence, crew communication and coordination, appropriate responses, evacuation procedures, psychology of terrorists, and situational training. Thanks to the rail industry's proactive efforts, the rail employee security efforts noted above already include these elements, and more.

According to the Senate bill, within 90 days after guidance is issued, railroads are to submit their training programs to DHS for review. We submitted our program both to DHS and to FRA for review and comment in February 2006. TSA has reviewed the rail industry's training program, and earlier this week communicated that it is "relevant and up-to-date" and is "helpful" in "rais[ing] the baseline of security-related knowledge."

Earlier this week, TSA dispatched approximately 100 security inspectors to rail facilities throughout the country to observe and evaluate railroad compliance with seven voluntary security-related action items. Five of these action items deal with employee security training.

Under the Senate bill, within one year of a DHS review, railroads must complete training of all front-line workers, defined as security personnel, dispatchers, train operators, other on-board employees, maintenance and maintenance support personnel, bridge tenders, and others as deemed appropriate by the Secretary of DHS. Even without this legislation, railroads will accomplish this objective. Going forward, rail employee security training will be documented and records of it maintained.

As the information noted above makes clear, railroads treat very seriously their obligations in regard to security and have made sustained, earnest efforts to provide their employees with the tools and training they need to react appropriately when security-related issues arise. Moreover, railroads are not standing still in this regard. Through their efforts with NTI and others, railroads are continually refining their training efforts to improve their usefulness and effectiveness. Railroads are also always open to reasonable, constructive suggestions on how employee security training can be improved.

At times, though, some rail industry critics, including some elements within rail labor, are not always constructive or reasonable. Members of this committee should be made aware that most major freight railroads are currently engaged in negotiations concerning a new national collective bargaining agreement with more than a dozen unions representing rail industry employees. During this period of negotiations, union leaders have at times engaged in self-serving tactics aimed at the bargaining table that misrepresent the industry's strong record of safety and security. A case in point is a recent Teamsters-sponsored attack on the rail industry disguised as a "study" of security gaps on U.S. railroads.

### **Conclusion**

U.S. freight railroads are proud of the success they achieved in keeping our nation's vital rail transport link open following the September 11, 2001 terrorist attacks. Since then, railroads have taken many steps to increase the security of our nation's rail network, including the development of a comprehensive security management plan that incorporates four progressively severe alert levels and the institution of effective employee security training programs designed to keep their employees safe while enhancing security. Railroads will continue to work with this committee, others in Congress, federal agencies, and all other relevant parties to further enhance the safety and security of our nation's railroads and the communities they serve.